STATEMENT OF

PAUL A. HAYDEN, DEPUTY DIRECTOR
NATIONAL LEGISLATIVE SERVICE
VETERANS OF FOREIGN WARS OF THE UNITED STATES

SUBMITTED TO

SUBCOMMITTEE ON HEALTH
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

H.R. 3645, VETERANS HEALTH CARE ITEMS PROCUREMENT REFORM AND IMPROVEMENT ACT OF 2002

WASHINGTON, DC JUNE 26, 2002

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

On behalf of the 2.7 million members of the Veterans of Foreign Wars of the United States (VFW) and our Ladies Auxiliary, I would like to thank you for the opportunity to comment on H.R. 3645, *Veterans Health Care Items Procurement Reform and Improvement Act of 2002*.

Section 2 would limit the Department of Veterans Affairs' (VA) ability to use local contracts for procurement of health-care items by instead requiring VA to utilize the Federal Supply Schedule (FSS) in its health care procurement activities. Four exceptions or exemptions to procuring health-care items from FSS are delineated: near-term medical emergencies, valid clinical needs, sharing agreements between VA and the Department of

Defense (DOD), and supporting prime or subcontracts with small business that qualify for preference under existing statute.

The VFW certainly supports the common-sense intent of this legislation. By centralizing health-care items contracting at the national level instead of the local level, VA will be able to leverage its purchasing power resulting in a reduction of overall procurement costs. Thus, better use of taxpayer dollars will generate savings that can then be used to improve access to and quality of care for veterans.

While cost savings and efficiency are something we all can support, the VFW would caution that the individual specialized needs of veterans not be limited in an attempt to standardize commodities within the VA. There are many veterans, especially those veterans with spinal cord injury, blindness, traumatic brain injury, amputation, serious mental illness, and post-traumatic stress disorder that require a broad array of medical supplies in order to function on a daily basis. Any attempt to restrict access to products that are tailored to their unique needs will ultimately impact their health and rehabilitation.

As a co-author of the *Independent Budget* along with AMVETS, Disabled American Veterans, and the Paralyzed Veterans of America, we have already pointed out our concern regarding a similar decision by the Veterans Health Administration's (VHA) that was designed to improve the quality and accuracy of prosthetic prescriptions by centralizing the prosthetics budget. While supportive of the VHA's intent, it is our opinion that "this program [Prosthetics Clinical Management Program] could be used as a veil to standardize or limit the types of prosthetic devices that a VISN or facility will issue…"

Further, "under VHA Directives 1761.1, prosthetic items intended for direct patient issuance are exempted from the Veterans Health Administration's standardization efforts. The reason for this is that "one size fits all" approach is inappropriate for meeting the medical and personal needs of disabled veterans. However, managers in VHA's local prosthetic programs, as well as some VA clinicians, still encounter internal managerial pressure to standardize some of the prosthetic devices they issue or altogether restrict certain devices from issuance… Disabled veterans must have access to the latest devices and equipment, such as computerized artificial legs and stair climbing and self-balancing wheelchairs and scooters, if they are to lead as full and productive lives as possible." As such, we " remain opposed to any and all initiatives that will result in the standardization of prosthetic devices and sensory aids."

Therefore, the VFW would support amending language to H.R. 3645 that would carve out procurement exemptions for special patient populations such as veterans with spinal cord dysfunction, blindness, amputations, and mental illness and those veterans included in Title 38, Section 1706 (b). Further, we would support language that would allow the VA Advisory Committee on Prosthetics and Special Disability Programs the authority to review and comment on the annual reporting requirements.

Procurement reform should, in part, be clinician and patient driven not just budget driven.

This concludes my statement. I will be happy to respond to any questions you or members of this Subcommittee may have.